

## The Plant Group, Inc.

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## Testimony in support of: SB 350 AN ACT EXEMPTING CERTAIN AGRICULTURAL VEHICLES FROM THE HIGHWAY USE TAX

Chairman Fonfara and Horn, Vice-Chairs Miller and Moore and Members of the Finance, Revenue and Bonding Committee

I urge your support of SB 350. My name is *Stacey Ward*. My farm is located in *North Franklin*, CT.

I currently help manage a horticultural farm business that is a wholesale grower and distributor of perennial plants.

PA 21-177 was passed in 2021 which imposed a mileage tax on trucks traveling on Connecticut highways. Collection of the Highway Use Tax (HUT) began on January 1, 2023.

Since the passage of that bill Connecticut farmers, who are at the very beginning of the food and horticultural supply chain, have experienced unprecedented increases in farm input costs. Fertilizer, which is a global commodity, accounts for 15% on-average of farm production cost. The cost of fertilizer has increased significantly since 2021. Crop production supplies like poly and plastic for hoop houses and plastic containers used by the greenhouse and nursery industries have increased by up to 50%. Farms continue to experience supply chain disruptions and labor shortages. Weather related events like the 2022 drought have further strained farm profitability.

This tax puts yet, another financial strain on farms. All of the above mentioned costs are through the roof, have doubled in price, and we all are suffering from not only the high costs associated with getting the commodities needed to operate to the best of our abilities but it also makes the trucking of the finished product that much more expensive as well when we factor in the price of diesel and the tax applied to that as well. We personally are still feeling the effects of supply chain disruptions and the high costs associated with needed to bring in goods from outside sources. The container costs, fertilizer shortages, plastic shortages for our hoop houses, etc... have taken a toll on the industry and our farm for sure. Adding in another cost in the form of the HUT is another operational expense that we can't afford to incur. Singling out a particular vehicle class as the one causing the most damage to CT roadways is unfair and just wrong and

we farmers who have a much longer growing season than we do trucking season can't afford another financial hit, therefore we are in complete disagreement of the new HUT.

Connecticut farm businesses operate in a domestic, international, and global economy. Increased farm production costs in Connecticut and nationally are expected to continue as farmers face challenges from climate change, labor shortages and a growing demand for domestically grown product. I urge your support of this bill.

Respectfully submitted,

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